

Legislative Audit Division

State of Montana



Report to the Legislature

November 1996

Financial-Compliance Audit

For the Two Fiscal Years Ended June 30, 1996

Department of Public Service Regulation

This report contains three recommendations regarding:

- ▶ **Compliance with state travel laws.**
- ▶ **Collecting late fees in accordance with state law.**
- ▶ **Seeking legislation to amend state laws to regulate railroad transportation.**

**Direct comments/inquiries to:
Legislative Audit Division
Room 135, State Capitol
PO Box 201705
Helena MT 59620-1705**

FINANCIAL-COMPLIANCE AUDITS

Financial-compliance audits are conducted by the Legislative Audit Division to determine if an agency's financial operations are properly conducted, the financial reports are presented fairly, and the agency has complied with applicable laws and regulations. In performing the audit work, the audit staff uses standards set forth by the American Institute of Certified Public Accountants and the United States General Accounting Office. Financial-compliance audit staff members hold degrees with an emphasis in accounting. Most staff members hold Certified Public Accountant (CPA) certificates.

Government Auditing Standards, the Single Audit Act of 1984 and Amendments of 1996, and OMB Circular A-128 require the auditor to issue certain financial, internal control, and compliance reports. This individual agency audit report is not intended to comply with these reporting requirements and is therefore not intended for distribution to federal grantor agencies. The Legislative Audit Division issues a statewide biennial Single Audit Report which complies with the above reporting requirements. The Single Audit Report for the two fiscal years ended June 30, 1995 has been issued. Copies of the Single Audit Report can be obtained by contacting:

Single Audit Coordinator
Office of Budget and Program Planning
State Capitol
Helena MT 59620
Phone (406) 444-3616

Legislative Audit Division
Room 135, State Capitol
PO Box 201705
Helena MT 59620-1705

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Scott A. Seacat, Legislative Auditor
John W. Northey, Legal Counsel
Tori Hunthausen, IT & Operations Manager



Deputy Legislative Auditors:
Jim Pellegrini, Performance Audit
James Gillett, Financial-Compliance Audit

November 1996

The Legislative Audit Committee
of the Montana State Legislature:

This is our financial-compliance audit report on the Department of Public Service Regulation for fiscal years 1994-95 and 1995-96. Included in this report are three recommendations addressing compliance with state travel laws, collecting late fees in accordance with state law, and seeking legislation to amend state laws to regulate railroad transportation.

The department's written response to the audit recommendations is included at the end of the audit report. We thank the commissioners and their staff for their assistance and cooperation throughout the audit.

Respectfully submitted,

"Signature on File"

Scott A. Seacat
Legislative Auditor

Legislative Audit Division

Financial-Compliance Audit

For the Two Fiscal Years Ended June 30, 1996

Department of Public Service Regulation

Members of the audit staff involved in this audit were Pete Brustkern, Renee Foster, Geri Hoffman, Cindy S. Jorgenson, Jim Manning, and Emlyn Neuman-Javornik.

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Elected and Administrative Officials

Public Service Commission

Nancy McCaffree, Chair	<u>Term Expires</u> January 1997
Dave Fisher	January 1997
Robert Rowe	January 1997
Bob Anderson	January 1999
Danny Oberg	January 1999

Administrative Officials

Wayne Budt, Administrator
Transportation and Centralized Services Division

Robin McHugh, Administrator, Legal Division

Dan Elliott, Administrator, Utility Division

Report Summary

Department of Public Service Regulation

This audit report is the result of our financial-compliance audit of the Department of Public Service Regulation for the two fiscal years ended June 30, 1996. The report contains three recommendations concerning compliance with state travel laws, collecting mandatory late fees of \$500 per day, and amending state law to regulate railroad transportation. Office management concurred with all recommendations.

We issued an unqualified opinion on the financial schedules contained in the report. This means the reader may rely on the presented financial information and the supporting information on the Statewide Budgeting and Accounting System. There were no prior audit recommendations.

Report Summary

The listing below serves as a means of summarizing the recommendations contained in the report, the department's response thereto, and a reference to the supporting comments.

<u>Recommendation #1</u>	We recommend the department ensure travel expenses are reimbursed in accordance with state travel laws and regulations.	4
	<u>Department Response.</u> Concur. See page B-4.	
<u>Recommendation #2</u>	We recommend the department assess railroads late fees as required by state law.	5
	<u>Department Response.</u> Concur. See page B-4.	
<u>Recommendation #3</u>	We recommend the department seek legislation to amend railroad laws to be consistent with federal laws and regulations.	6
	<u>Department Response.</u> Concur. See page B-4.	

Introduction

Introduction

We performed a financial-compliance audit of the Department of Public Service Regulation for the two fiscal years ended June 30, 1996. The objectives of the audit were to:

1. Determine if the department complied with applicable laws and regulations.
2. If necessary, make recommendations for improvement in the administrative and accounting controls of the department.
3. Determine if the department's financial schedules present fairly the results of operations for the two fiscal years ended June 30, 1996.

The prior audit did not contain any recommendations. This report contains three recommendations concerning compliance with state laws. During our current audit we noted areas of concern which we deemed not to have a significant effect on the operations of the department. These concerns are not specifically included in this report, but have been discussed with department management.

In accordance with section 5-13-307(2), MCA, we analyzed and disclosed the cost, if significant and practical to obtain, of implementing the recommendations made in this report.

Background

The Department of Public Service Regulation was created by the Executive Reorganization Act of 1971 and operates under the direction of the Public Service Commission. The commission consists of five voting members who are elected on a district basis and serve a term of four years. After each general election, one of the commissioners is elected by the commission to serve as chairman for the two years until the next general election.

The department's responsibility is to assure the public receives safe, adequate, and economical utility and transportation service at just and reasonable rates. The department is responsible for the regulation of public utilities, motor carriers, railroads, and pipelines within the state. It also performs safety inspections of those

Introduction

activities, except for motor carriers, which are inspected by the Highway Patrol Division of the Department of Justice.

The commission chairman serves as the department head. The department was authorized to employ 39.5 full-time equivalent (FTE) personnel, including the five commissioners, in fiscal year 1995-96.

The department consists of the following three divisions.

1. The Utility Division exercises general control over public utilities, including rate determination and safety standards. The division is authorized 15 FTE.
2. The Transportation and Centralized Services Division exercises general supervisory control over the activities of motor carriers and railroads, and performs the department's administrative support functions. The division is authorized 14.5 FTE. Two of the FTE are motor carrier enforcement officers stationed throughout the state.
3. The Legal Division advises the commission on matters requiring a legal interpretation or opinion and represents the commission in legal proceedings. The division is authorized 5 FTE.

Chapter 358, Laws of 1995, contained legislation to put Montana in conformance with recent federal legislation concerning motor carriers. The department no longer regulates motor carriers of property except for household property, garbage, passengers, waste tires and wastewater. Chapter 358, Laws of 1995, transferred the single-state registration program and the authority to set fees related to motor carriers to the Department of Transportation starting in fiscal year 1995-96.

The department was responsible for regulation of matters such as railroad rate making, agency service, depot facilities and side tracks located entirely within one state until January 1, 1996. The federal Interstate Commerce Commission was abolished on January 1, 1996 which limited the state's ability to regulate railroad matters.

Findings and Recommendations

Travel

State law and policy has several specific requirements regarding travel and the related reimbursements. The department had travel expenditures of \$64,877 and \$68,812 for fiscal years 1995-96 and 1994-95, respectively. We reviewed nine months of travel expense vouchers related to employee travel at the department and noted the department is not in compliance with the requirements. Below is a summary of the various compliance items we noted.

- ▶ Section 2-18-502, MCA, states an employee must have been in travel status for more than three continuous hours during specific time ranges to be eligible for a meal allowance. Eight of the travel vouchers we reviewed did not include either departure or arrival times, or both. Thus we were unable to determine if employees were properly reimbursed for meals while in travel status.
- ▶ Section 2.4.141 ARM sets specific criteria for reimbursements of miscellaneous travel expenses. This section specifically excludes tips as reimbursable expense. We noted three instances where commissioners were reimbursed for tips paid while traveling on commission business.
- ▶ State policy requires reimbursement requests for lodging and other expenses greater than \$10 to be accompanied by original receipts. Policy specifically states credit card receipts are not accepted as valid proof of expenses. Of the travel expense vouchers reviewed, we noted six of the vouchers were not accompanied by original receipts. All of the vouchers referred to above contained photocopies of receipts or credit card bills. Credit card bills do not provide adequate information to determine if the expense qualifies for reimbursement in accordance with state policy.
- ▶ Section 2-18-501(5), MCA, states when lodging is nonreceipted, the authorized reimbursement is limited to \$12 for each nights lodging. One of the vouchers we reviewed had no receipts for two nights lodging. The employee was reimbursed \$243 for lodging when only \$24 was allowable under the law.
- ▶ A commissioner attending an out of state conference transported a family member to and from the conference in the department's car. According to agency personnel the department has not adopted its own vehicle policies but follows

Findings and Recommendations

state motor pool regulations defined in the Montana Operations Manual. These policies state "Hitchhikers, animals, children or spouses not on official business are not to be transported in motor pool vehicles." In the case of an accident the state may be liable for injury of non-state employees.

According to agency personnel, employees and commissioners are either not aware of the specific regulations or overlooked the reimbursement requirements when completing expense vouchers. The department can improve compliance with travel laws and regulations by ensuring commissioners, supervisors, and employees responsible for completing, reviewing, or authorizing travel vouchers are familiar with current travel regulations. The department could improve compliance with travel regulations by issuing written guidelines or conducting training sessions.

Recommendation #1

We recommend the department ensure travel expenses are reimbursed in accordance with state travel laws and regulations.

Late Fees

All railroads in the state are required to file annual reports with the department by the end of March. For fiscal year 1994-95 one railroad did not file an annual report until July 3, 1995. As a result the report was 93 days late. Section 69-14-251, MCA, states "any railroad refusing or failing to make or file an annual report . . . shall forfeit the sum of \$500 for each day the report is late."

Department personnel sent letters to the railroad requesting the annual report, but were unaware of the requirements for fines in state law. The department could have assessed the railroad fines of up to \$46,500 for not filing its annual report until July 3, 1995.

Findings and Recommendations

Recommendation #2

We recommend the department assess railroads late fees as required by state law.

Railroad Regulation Changes

Section 69-14-301, MCA, states the Public Service Commission shall "adopt all necessary rates, charges, and regulations to govern and regulate freight and passenger tariffs, to correct abuses, and to prevent unjust discrimination and intimidation in the rates of freight and passenger tariffs on the different railroads in this state and to make the same effective by enforcing the penalties prescribed in this chapter." Part 3 of Title 69, chapter 14, of the MCA, defines the rate making procedures for the commission.

The federal Staggers Rail Act of 1980 provided for state regulation of intrastate rail rates. The Staggers act required the commission to obtain certification every five years from the Interstate Commerce Commission (ICC) allowing them to regulate intrastate rail rates. The Act also allowed states to continue their traditional regulation of matters such as railroad agency service, depot facilities, and side tracks located entirely within one state.

In 1995 the federal ICC Termination Act was passed. This Act abolished the ICC but transferred certain of its rail regulatory authority to the newly created federal Surface Transportation Board. The Act became effective on January 1, 1996. The Act limited the states ability to regulate railroads.

Department personnel are aware of the federal deregulation of railroad rate making authority but at this time do not intend to seek legislation to amend the effected laws. The department does not believe the Act terminated their ability to regulate agency service and depot facilities. However, subsequent to June 30, 1996, a railroad filed suit in federal district court contending the PSC's jurisdiction has been preempted by federal law. Since state laws appear to conflict with federal laws, and the department does not

Findings and Recommendations

have authority over rail rates, the department should seek legislation to amend the laws.

Recommendation #3

We recommend the department seek legislation to amend railroad laws to be consistent with federal laws and regulations

Independent Auditor's Report & Agency Financial Schedules

LEGISLATIVE AUDIT DIVISION

Scott A. Seacat, Legislative Auditor
John W. Northey, Legal Counsel
Tori Hunthausen, IT & Operations Manager



Deputy Legislative Auditors:
Jim Pellegrini, Performance Audit
James Gillett, Financial-Compliance Audit

INDEPENDENT AUDITOR'S REPORT

The Legislative Audit Committee
of the Montana State Legislature:

We have audited the accompanying financial schedules of the Department of Public Service Regulation for the two fiscal years ended June 30, 1996, as shown on pages A-5 through A-12. The information contained in these financial schedules is the responsibility of the department's management. Our responsibility is to express an opinion on these financial schedules based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 1, the financial schedules are presented on a comprehensive basis of accounting other than generally accepted accounting principles. These schedules are not intended to be a complete presentation and disclosure of the department's assets, and liabilities.

In our opinion, the financial schedules referred to above present fairly, in all material respects, the results of operations and changes in fund balances of the Department of Public Service Regulation for the two fiscal years ended June 30, 1996, in conformity with the basis of accounting described in note 1.

Respectfully submitted,

"Signature on File"

James Gillett, CPA
Deputy Legislative Auditor

August 26, 1996

PUBLIC SERVICE REGULATION
SCHEDULE OF CHANGES IN FUND BALANCES
FOR THE TWO FISCAL YEARS ENDED JUNE 30, 1996

	<u>General Fund</u>	<u>Special Revenue Funds</u>
FUND BALANCE: July 1, 1994	\$ 0	\$ 175,553
ADDITIONS:		
<u>Fiscal Year 1994-95</u>		
Budgeted Revenues	1,290,252 ¹	41,452
Cash Transfers In		2,444,525
Prior Year Expenditure Adjustments		1,442
Direct Entries to Fund Balance	5,000	
<u>Fiscal Year 1995-96</u>		
Budgeted Revenues	27,221	52,892
Cash Transfers In		1,911,187
Prior Year Revenue Adjustments		136
Prior Year Expenditure Adjustments		7,075
Total Additions	<u>1,322,473</u>	<u>4,458,709</u>
REDUCTIONS:		
<u>Fiscal Year 1994-95</u>		
Budgeted Expenditures		2,115,628
Direct Entries to Fund Balance		5,000
Support to State of Montana	1,289,083 ¹	
Prior Year Revenue Adjustments	6,169	56
<u>Fiscal Year 1995-96</u>		
Budgeted Expenditures		2,038,165
Support to State of Montana	27,204	
Prior Year Revenue Adjustments	17	
Total Reductions	<u>1,322,473</u>	<u>4,158,849</u>
FUND BALANCE: June 30, 1995	<u>\$ 0</u>	<u>\$ 475,413</u>

¹ See note 5 on page A-12.

This schedule is prepared from the Statewide Budgeting and Accounting System. Additional information is provided in the notes to the financial schedules beginning on page A-11.

PUBLIC SERVICE REGULATION
SCHEDULE OF TOTAL REVENUES & OTHER ADDITIONS
FOR THE TWO FISCAL YEARS ENDED JUNE 30, 1996

	General Fund	Special Revenue Funds	Total
<u>Fiscal Year 1995-96</u>			
TOTAL REVENUES BY CLASS			
Licenses & Permits	\$ 10,143		\$ 10,143
Charges for Services	17,061	\$ 27,397	44,458
Federal Indirect Cost Recoveries		134	134
Federal		25,497	25,497
Total Revenues	<u>27,204</u>	<u>53,028</u>	<u>80,232</u>
Less: Prior-Year Revenue Adjustments	(17)	136	119
Actual Budgeted Revenues	27,221	52,892	80,113
Estimated Revenues	39,250	57,668	96,918
Budgeted Revenues Over(Under) Estimated	<u>\$ (12,029)</u>	<u>\$ (4,776)</u>	<u>\$ (16,805)</u>
BUDGETED REVENUES OVER(UNDER) ESTIMATED BY CLASS			
Licenses & Permits	\$ (12,840)		\$ (12,840)
Charges for Services	1,061	\$ 5,606	6,667
Fines & Forfeits	(250)		(250)
Federal Indirect Cost Recoveries		(116)	(116)
Federal		(10,266)	(10,266)
Budgeted Revenues Over(Under) Estimated	<u>\$ (12,029)</u>	<u>\$ (4,776)</u>	<u>\$ (16,805)</u>
<u>Fiscal Year 1994-95</u>			
TOTAL REVENUES BY CLASS			
Licenses & Permits	\$ 1,267,182 ¹		\$ 1,267,182
Charges for Services	16,901	\$ 18,419	35,320
Federal Indirect Cost Recoveries		96	96
Federal		22,881	22,881
Total Revenues	<u>1,284,083</u>	<u>41,396</u>	<u>1,325,479</u>
Less: Prior-Year Revenue Adjustments	(6,169)	(56)	(6,225)
Actual Budgeted Revenues	1,290,252	41,452	1,331,704
Estimated Revenues	1,425,250	64,668	1,489,918
Budgeted Revenues Over(Under) Estimated	<u>\$ (134,998)</u>	<u>\$ (23,216)</u>	<u>\$ (158,214)</u>
BUDGETED REVENUES OVER(UNDER) ESTIMATED BY CLASS			

Licenses & Permits	\$ (126,649)		\$ (126,649)
Charges for Services	(8,099)	\$ (17,775)	(25,874)
Fines & Forfeits	(250)		(250)
Federal Indirect Cost Recoveries		(154)	(154)
Federal		(5,287)	(5,287)
Budgeted Revenues Over(Under) Estimated	<u>\$ (134,998)</u>	<u>\$ (23,216)</u>	<u>\$ (158,214)</u>

¹ See note 5 on page A-12.

This schedule is prepared from the Statewide Budgeting and Accounting System. Additional information is provided in the notes to the financial schedules beginning on page A-11.

PUBLIC SERVICE REGULATION
SCHEDULE OF TOTAL EXPENDITURES & OTHER
REDUCTIONS BY OBJECT BY PROGRAM
FOR THE TWO FISCAL YEARS ENDED JUNE 30, 1996

	<u>Public Service Regulation Program</u>	
	<u>Fiscal Year</u> <u>1995-96</u>	<u>Fiscal Year</u> <u>1994-95</u>
PROGRAM EXPENDITURES BY OBJECT		
Personal Services		
Salaries	\$ 1,246,444	\$ 1,244,710
Employee Benefits	291,824	308,222
Total	<u>1,538,268</u>	<u>1,552,932</u>
Operating Expenses		
Services	77,337	129,481
Supplies & Materials	33,297	50,759
Communications	52,401	52,030
Travel	64,877	68,812
Rent	141,424	138,381
Repair & Maintenance	10,107	14,597
Other Expenses	55,335	42,347
Total	<u>434,778</u>	<u>496,407</u>
Equipment and Intangible Assets		
Equipment	58,044	64,054
Intangible Assets		793
Total	<u>58,044</u>	<u>64,847</u>
Total Program Expenditures	<u>\$ 2,031,090</u>	<u>\$ 2,114,186</u>
PROGRAM EXPENDITURES BY FUND		
Special Revenue Fund	\$ 2,031,090	\$ 2,114,186
Total Program Expenditures	<u>2,031,090</u>	<u>2,114,186</u>
Less: Prior-Year Expenditure Adjustments	<u>(7,075)</u>	<u>(1,442)</u>
Actual Budgeted Expenditures	2,038,165	2,115,628
Budget Authority	2,228,294	2,317,107
Unspent Budget Authority	<u>\$ 190,129</u>	<u>\$ 201,479</u>
UNSPENT BUDGET AUTHORITY BY FUND		
Special Revenue Fund	\$ 190,129	\$ 201,479
Unspent Budget Authority	<u>\$ 190,129</u>	<u>\$ 201,479</u>

This schedule is prepared from the Statewide Budgeting and Accounting System. Additional information is provided in the notes to the financial schedules beginning on page A-11.

Notes to the Financial Schedules

For the Two Fiscal Years Ended June 30, 1996

1. **Summary of Significant Accounting Policies**

Basis of Accounting

The department uses the modified accrual basis of accounting, as defined by state accounting policy, for its Governmental Funds. In applying the modified accrual basis, the department records:

Revenues when it receives cash or when receipts are measurable and available to pay current period liabilities.

Expenditures for valid obligations when the department incurs the related liability and it is measurable.

State accounting policy also requires the department to record the cost of employees' annual leave and sick leave when used or paid.

Expenditures may include: entire budgeted service contracts even though the department received the services in a subsequent fiscal year; goods ordered with a purchase order before fiscal year-end, but not received as of fiscal year-end; and equipment ordered with a purchase order before fiscal year-end.

Basis of Presentation

The financial schedule format is in accordance with the policy of the Legislative Audit Committee. For audit reports issued after July 1, 1996 the Legislative Audit Committee approved a new financial schedule presentation for inclusion in agency audit reports. The schedules now include nonbudgeted revenue and expenditure activity and prior year revenue and expenditure adjustments for all financial schedules presented. In addition, financial activity for agency funds, if applicable to the agency, is included in the Schedule of Changes in Fund Balance and Property Held in Trust.

The financial schedules are prepared from the Statewide Budgeting and Accounting System without adjustments. Accounts are organized in funds according to state law. The department uses the following funds:

Notes to the Financial Schedules

Governmental Funds

General Fund - to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund - to account for proceeds of specific revenue sources legally restricted to expenditures for specific purposes. Department Special Revenue Funds include federal natural gas safety funds and all fees collected by the department not otherwise provided to the General Fund. The cash transfers in are from the Department of Revenue for the gross operating revenue tax.

- | | | |
|-----------|------------------------------------|--|
| 2. | <hr/> Annual and Sick Leave | Employees at the department accumulate both annual and sick leave. The department pays employees for 100 percent of unused annual and 25 percent of unused sick leave credits upon termination. Accumulated unpaid liabilities for annual and sick leave are not reflected in accompanying financial schedules. The department absorbs expenditures for termination pay in its annual operational costs. At June 30, 1995 and at June 30, 1996, the department had a liability of \$198,330 and \$195,136, respectively. |
| 3. | <hr/> Pension Plan | Employees are covered by the Montana Public Employees' Retirement System (PERS). The department's contribution to PERS was \$81,663 in fiscal year 1994-95 and \$79,449 in fiscal year 1995-96. |
| 4. | <hr/> General Fund Balance | The General Fund is a statewide fund. Each agency does not have a separate General Fund since its only authority is to pay obligations from the statewide General Fund within their appropriation limits. Thus, on an agency's schedules, the General Fund beginning and ending fund balance will always be zero. |
| 5. | <hr/> Program Changes | The single-state registration program license and permit revenue was approximately \$1.2 million in fiscal year 1994-95. During the 1995 session, legislation was passed which transferred the program from Public Service Regulation to the Department of Transportation. The legislation also reduced the department's budget by 5 FTE. |

Agency Response



Montana Public Service Commission

Nancy McCaffree, Chair
Dave Fisher, Vice Chair
Bob Anderson
Danny Oberg
Bob Rowe

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OCT 17 1996

October 17, 1996

Jim Manning
Audit Manager
Legislative Auditor
P.O. Box 201705
Helena, Mt. 59620-1705

Dear Mr. Manning:

Enclosed is the agency's response to the three recommendations contained in the audit of the Department of Public Service Regulation. I have also attached the copies of the final audit report you supplied our office.

It is my understanding that this audit will be presented to the legislative audit committee during its November meeting.

I appreciate your staff's professional attitude during this audit, as well as your office's willingness to discuss and answer questions concerning this report.

Sincerely

A handwritten signature in cursive script, appearing to read "Wayne Budt".

Wayne Budt, Administrator
Centralized/Transportation Division

Enclosures

AGENCY RESPONSE
LEGISLATIVE AUDIT

1. TRAVEL

Recommendation #1

We recommend the department ensure travel expenses are reimbursed in accordance with state travel laws and regulations.

Agency response:

The agency concurs. All staff have been given a memo setting out the requirements for travel expense reimbursement. Any claims found not in compliance will be held until all information is received.

2. LATE FEES

Recommendation #2

We recommend the department assess railroads late fees as required by state law.

Agency response:

The agency concurs. All railroads will be advised of the late fee statute and the agency will assess the late fee in the future. The railroad which failed to file its 1994 annual report on time was in compliance with its 1995 report.

3. RAILROAD REGULATION CHANGES

Recommendation #3

We recommend the department seek legislation to amend railroad laws to be consistent with federal laws and regulations.

Agency response:

The agency concurs: As noted in the finding there is presently a law suit pending on the question of Public Service Commission jurisdiction over agencies. The agency will review the railroad statutes after the outcome of the law suit and coordinate an effort with all parties (unions and railroads) to present legislation, as appropriate and necessary, to the 1999 legislative session.